

Using the 1960 census as the basis, 57 percent of the estimated requirements is attributable to cities with populations of 50,000 or more; 38 percent to cities of 2,500 to 50,000; and 5 percent to cities, towns, and rural areas with populations under 2,500.

TABLE XIII.—Publicly owned airport development capital outlay requirements, 1966-75

[In millions]

Fiscal year	FAAP eligible requirements	Total development requirements	Source of funding	
			Federal ¹	Local and State
1966.....	\$330	\$475	\$75	\$400
1967.....	340	500	75	425
1968.....	255	500	75	425
1969.....	275	485	75	410
1970.....	260	480	75	405
1971.....	300	490	75	415
1972.....	300	495	75	420
1973.....	310	505	75	430
1974.....	320	520	75	445
1975.....	320	525	75	450
Total.....	3,010	4,975	750	4,165

¹ Assuming no change in FAAP funds of \$75,000,000 annually.

NOTE.—Estimates of capital outlay.

As in the past, required annual capital outlays will be financed primarily by various levels of government, and to only a minor extent by private organizations. Expenditures by local and State governments for airport development have approximated a relatively stable 0.5 percent of their total annual expenditures for all governmental functions. Local and State governments financed 76 percent of all airport development accomplished during the 5-year period 1960-64, with the remaining 24 percent financed by the Federal Government.

Assuming that no change occurs in the amount of available FAAP funds (\$75 million annually), it is estimated that the local and State governments' contribution must increase to approximately 80 percent of the total capital outlay required over the 1966-75 period. Using past experience as a guide, the estimated sources of financing these prospective capital outlays are as follows: revenue bonds—\$3,330 million; general obligation bonds—\$645 million; Federal Government grant assistance—\$750 million; and other sources (State, bank loans, operational funds, tax levies, et cetera)—\$250 million.

The ability to float bond issues which pledge future airport revenues to their retirement is, as noted previously, almost exclusively limited to a relatively few of the Nation's major airports. General obligation bond issues are usually possible at large and medium hub airports, but rarely possible at small and nonhub airports which generate from 0.25 percent to less than 0.05 percent of the total annual U.S. passenger traffic. The latter type of airports is almost totally dependent upon "other sources" for financing their needed airport development.

Small hub airports, which are concentrated in metropolitan areas ranging in population from 100,000 to 500,000 possess limited ability